

1 UNITED STATES BANKRUPTCY COURT
2 SOUTHERN DISTRICT OF NEW YORK

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4 In the Matter of:

5 SECURITIES INVESTOR PROTECTION

6 COMPANY,

7 Plaintiff,

8 v. Case No. 08-01789(SMB)

9 BERNARD L. MADOFF INVESTMENT

10 SECURITIES, LLC, ET AL.,

11 Defendants.

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13 U.S. Bankruptcy Court

14 One Bowling Green

15 New York, New York

16

17 March 27, 2014

18 10:00 AM

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22 B E F O R E :

23 HON STUART M. BERNSTEIN

24 U.S. BANKRUPTCY JUDGE

25

1 Hearing re: Trustee's Motion Affirming Application of Net
2 Investment Method to Determination of Customer Transfers
3 Between BLMIS Accounts
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25 Transcribed by: Dawn South

1 A P P E A R A N C E S :

2 BAKER HOSTETLER

3 Attorney for the Trustee

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7 BY: SEANNA R. BROWN, ESQ.

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9 WINDELS MARX LANE & MITTENDORF, LLP

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12 New York, NY 10019

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14 BY: YANI INDRAJANA HO, ESQ.

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1 P R O C E E D I N G S

2 THE COURT: Madoff?

3 MS. BROWN: Good morning, Your Honor, Seanna
4 Brown, Baker Hostetler on behalf of Irving Picard, Trustee.

5 This is the return date of the trustee's motion
6 for a scheduling order on what we have called the inner
7 account transfer issue. That issue involves a question of
8 whether the trustee correctly applied as a legal matter the
9 net investment method to transfers between BLMIS accounts.
10 The trustee submits that a net investment method was
11 correctly applied to those transfers; however, that issue is
12 for another day.

13 The motion before Your Honor today is for the
14 scheduling of this matter for briefing and a hearing. There
15 was one objection filed by Ms. Chapman (ph) in which she
16 indicated that she wanted to seek discovery. Several other
17 law firms also reached out to the trustee on an informal
18 basis with a similar request about the possibility of also
19 taking discovery.

20 The trustee's position is that no discovery is
21 necessary to resolve the motion but that the scheduling
22 order proposed here today would not preclude any party from
23 seeking discovery at the appropriate time nor the trustee's
24 ability to objecting to the discovery when he sees it.

25 In addition both Ms. Chapman and the other law

1 firms also asked to add several weeks to the briefing
2 scheduling to which the trustee consented, and on that basis
3 Ms. Chapman agreed to withdraw her objection.

4 Counsel agreed to a revised schedule, which we
5 submitted to Your Honor yesterday, and the revised proposed
6 scheduling order, which moved the dates out by approximately
7 two weeks. The trustee's moving papers will be due on
8 March 31st, which is the same date, and the parties would
9 propose, if the Court agrees, to move the opposition briefs
10 from April 30th to May 16, the briefs of the interested
11 parties from May 7th to May 23rd, the trustee's reply from
12 May 14th to June 6, and if the Court is available for a
13 hearing on June 19th the hearing date would move from May 29
14 to June 19th.

15 And so given that we've resolved the objections,
16 both the Chapman objection and the informal conversations we
17 had with the other counsel, we would ask the Court to approve
18 the revised proposed scheduling order.

19 THE COURT: Is there anyone in the court who wants
20 to be heard in connection with the matter? The record
21 should reflect there's no response.

22 I'll approve the order and I've signed it. Thank
23 you.

24 MS. BROWN: Thank you, Your Honor.

25 (Whereupon these proceedings were concluded at 10:03

1 AM)

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Line

Motion for the scheduling of this matter

for briefing and a hearing

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C E R T I F I C A T I O N

I, Dawn South, certify that the foregoing transcript is a
true and accurate record of the proceedings.

Dawn South

Digitally signed by Dawn South
DN: cn=Dawn South, o=Veritext,
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Date: March 28, 2014